BPA Ordering Officer Training

88 CONS/PK
Revised November 2004

Blanket Purchase Agreement

Overview

- Description
- Decentralized BPA Purchases
- General Ethics
- Purchase Requests and Receipt
- Competition Requirements
- Purchases and Administration

Blanket Purchase Agreements

Description

A blanket purchase agreement (BPA) is a simplified method of filling anticipated repetitive needs for supplies or services by establishing "charge accounts'' with qualified sources of supply.

A BPA is not a contract.

Blanket Purchase Agreements

Description

Terms and conditions of the agreement are established in advance, which govern future purchases (if any) made against the BPA. The Government is only obligated to the extent of authorized calls actually placed against the BPA and the vendor is not obligated to perform in response to a call placed against the BPA. BPAs are usually established with multiple vendor's for the same product/service to mitigate the impact if a vendor declines to perform.

Blanket Purchase Agreements

Decentralization of BPA Purchases

Decentralized purchasing frees contracting personnel from having to make repetitive, routine/non-complex purchases. Decentralized BPAs are pre-priced, which precludes the need to negotiate prices each time a purchase is made.

Blanket Purchase Agreements

Decentralization of BPA Purchases

Functional activities must submit written requests to establish a BPA

Commanders must nominate personnel in writing to place calls against a pre-priced, decentralized BPA.

A Contracting Officer (CO) with requisite authority appoints Ordering Officers (OO) in writing after providing appropriate training.

Blanket Purchase Agreements

Decentralization of BPA Purchases

OO acknowledges receipt of training in writing.

OO authority cannot be re-delegated

Appointment limited to purchases of pre-priced items approved by the CO from the contractor's price list

Single purchase limits are established by the CO and specified in the OO appointment letter

Blanket Purchase Agreements

Decentralization of BPA Purchases

Termination of appointment is at the discretion of
Appointing authority for misconduct or poor performance,
per the nominating commander's request, due to OO
redeployment or termination of supported operation, etc.

Upon termination, the CO can appoint other functional
personnel as OOs for the existing BPA

Blanket Purchase Agreements

General Ethics

Be impartial and do not provide preferential treatment to any vendor

Avoid conflicts of interest or the appearance of a conflict

Do not solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from a vendor.

Do not be employed by or seek employment with any vendor with whom you do business.

Blanket Purchase Agreements

General Ethics

Consult contracting and the JAG ***before*** making a purchase or taking
any action that poses a question pertaining to ethics.

Document the advice received from Contracting and/or the JAG and
file it with the record of any resulting purchase.

Blanket Purchase Agreements

Purchase Requests and Receipt

To avoid potential conflicts, purchases should be supported
by a written request for supplies or services from someone
other than the OO that demonstrates a bona fide need for the item purchased

Likewise, purchases should be supported by a written acknowledgment of receipt for supplies or services executed by a third party from the activity with the need

Blanket Purchase Agreements

Competition Requirements

If multiple BPAs are decentralized, the OO shall purchase from
BPAs offering the lowest price for the same item

OO must explain in writing purchase of higher priced items from one
BPA that are listed in another decentralized BPA at lower prices

OO should rotate purchases among vendors that provide the same
supplies/services at virtually the same prices

Blanket Purchase Agreements

Competition Requirements

OO must document competition efforts for purchase of pre-priced items whose aggregate total exceeds the micro-purchase threshold

Competitive price quotes from two or more vendors in the same business offering similar supplies/services is the preferred method of establishing competition.

Blanket Purchase Agreements

Purchases &Administration

OO must obtain funding from Finance before making purchases.

OO must maintain a BPA folder provided by the CO per the written instructions provided by the CO

OO must document each purchase in a call register

OO must submit call registers to Contracting and Finance monthly

Contracting will conduct surveillance of decentralized BPA